

# 2005 Legislative Review

A Look At Higher Education In Week 7: Feb. 14 – 18, 2005



**After  
Crossover  
The  
Legislative  
Session will  
resume  
Wednesday,  
Feb. 23.**

## SB 2003: Senate Passes Amended University System Appropriations Bill

SB2003, the NDUS appropriations bill, was amended in Senate Appropriations to include a \$1.85 million cut in the NDUS Office budget. An NDUS amendment to include \$10 million to address equity and parity was narrowly defeated in committee on a vote of 7-8. As amended, the bill increases the NDUS general fund appropriation by about 7 percent or \$26.9 million over the current biennium.

In its present form, as passed by the Senate Feb. 17 on a vote of 45-0, SB 2003 has been amended to:

- Allocate operations and extraordinary repairs funding from a pool in the NDUS Office to individual campuses
- Remove \$950,000 in general funds from the NDUS Office for a learning management system (LMS)
- Remove \$2 million in general funds from the NDUS Office for a new child care grant program added in the governor's budget
- Add \$400,000 in general funds to the NDUS Office for student financial aid, in addition to the \$1.3 million increase included in the governor's budget. The Senate added language to permit the funding to be allocated to student financial aid grants and/or child care grants, as determined by the SBHE.
- Add \$700,000 in general funds for the SBHE Initiative Fund
- Add a requirement that the SBHE periodically report to the Budget Section and other appropriate interim committees on the review of the Long-Term Finance Plan and campus peer institutions
- Require the State Auditor's Office to conduct a performance audit of the UND School of Medicine and Health Sciences with audit costs to be paid by the med school and
- Adopt all other technical corrections and non-state funded project amendments offered by the NDUS

## SB 2023: Senate Passes Amended State Bonding Bill

SB 2023, the state bonding bill, was passed by the Senate Feb. 16 on a vote of 44-1 with the following amendments:

### **Changes in State Bonding:**

- \$200,000 NDSU Hazardous Material Storage Facility (reduced from \$3.5 to \$3.3 million)
- + \$2,500,000 MiSU-BC Thatcher Hall (fully funded as included in budget request)
- + \$350,000 Central Grasslands Extension Center addition (budget request included \$250,000 in state funds, plus \$60,000 in other funds)

### **Changes in Other Fund Authority:**

- + \$2,500,000 Main Station Greenhouse (total \$5 million federal and other funds, plus \$2 million state bonding)
- + \$370,000 North Central Research Extension Center (total \$1.25 million in federal and other funds, plus \$440,000 in state bonding)

All of the SBHE-ranked projects have been totally or partially funded in the Senate budget, with the exception of the UND O'Kelley Hall and Ireland Lab Renovation at \$3.5 million.

## **SB 2020: Senate Passes Amended NDSU Extension Service Bill**

SB2020, the NDSU Experiment and Extension appropriation bill, was amended in Senate Appropriations to include an additional \$584,961 for the Ag Research and Extension Service.

In its current form, as passed by the Senate Feb. 16 on a vote of 45-0, SB 2020 has been amended to:

- Reduce funding for compensation increases from 4 percent and 3 percent as proposed in the governor's budget to 3 percent and 4 percent as recommended by the Legislature
- Add \$228,201 in general funds for the western malting barley project at various research centers
- Add \$100,000 in general funds for soil conservation districts in the extension budget
- Add \$159,605 (\$120,000 in general funds and \$39,605 in other funds) for a crop quality promotion specialist in Northern Crops Institute (NCI)
- Remove \$24,469 in general funds for "linking crops to livestock research in NCI"
- Continue \$800,000 in Ag PACE funding first approved in 2003 for a Beef System Center of Excellence; add \$400,000 in state general funds for two new positions and related operating costs for the beef center
- Suggest that the Legislative Council consider a study of the branch research stations, including visits to each center, and determining how research at the centers may compliment the beef system center of excellence

## **SB 2076: House Educations Hears Military Resident Tuition Bill**

SB 2076 was heard in House Education Feb. 14. This bill would amend the definition of a resident student for tuition purposes to include all members of North Dakota National Guard units, active duty members of the armed forces and their spouses and dependents. The legislation also makes survivors or dependents of disabled veterans, veterans killed in action and POWs eligible for resident tuition. The committee did not take action on the bill.

## **HB 1038: Representation on No Child Left Behind Commission Under Consideration**

HB 1038, a bill that establishes a No Child Left Behind advisory commission, was heard in Senate Education Feb. 15. The NDUS proposed the addition of a higher education representative to the commission; several other groups also proposed representation by their organizations. The committee now will decide on appropriate representation on the commission.

## **SB 2018: Senate Passes Amended Centers of Excellence Bill**

SB 2018, the Department of Commerce appropriation bill that includes provisions for centers of excellence, was amended by Senate Appropriations Feb. 15. The amendments were adopted by the Senate Feb. 16.

As amended, the bill now includes the following provisions:

- The "up front" money to be appropriated was reduced from \$5 million to \$2.5 million, and all provisions for bonding or borrowing additional amounts from the Bank of North Dakota or elsewhere were removed.
- A provision to allow the Legislative Assembly to designate a center was inserted.
- Language was retained requiring all applications to show how the centers will develop and engage strategies for science and technology research and development.
- A strict two-to-one funding match will be required with no flexibility for the commission to approve proposals without it.
- The institutions eligible for funding have been expanded to include private baccalaureate-granting colleges and tribal colleges, which increases the number of institutions eligible for funding from 11 to 18.

## **SB 2034 and SB 2035: House Education Approves "Flexibility with Accountability" Bills**

SB 2034 and SB 2035, two bills that extend the "flexibility with accountability" legislation, were heard in House Education Feb. 14. Both bills were voted out of committee "do pass" on a vote of 12-0.

## **SB 2079: House Education Hears Fee Waiver Bill**

SB 2079 was heard in House Education Feb. 15. This bill concerns tuition and fee waivers for dependents of disabled veterans, veterans killed in action and survivors of firefighters and peace officers. It removes from current law language stating the waivers do not apply to fees used to retire outstanding bonds. The bill also extends from eight to 10 semesters the time permitted to complete a bachelor's degree using the waiver. The committee took no action on the bill.

## **HB 1015: Health Insurance Amendment Fails**

An amendment to HB 1015, the OMB budget bill, would have required state-paid health insurance coverage to be limited to single policies for employees hired after Dec. 31, 2004. Employees would have had to pay the cost difference between family and single plans. This amendment was defeated in House Appropriations Feb. 15.

## **SBHE Senate Confirmation Hearings Scheduled**

On Feb. 15, Gov. John Hoeven announced the appointment of Pam Kostelecky and Richard Smith to the State Board of Higher Education. The appointments will be effective July 1, 2005, pending confirmation by a Senate subcommittee. Both hearings have been scheduled for March 2.

Kostelecky is the owner and president of Sax Motor Company in Dickinson and Bowman. She has served on the board since October 2002 and now has been re-appointed to a second term. Kostelecky currently is board vice president and chairs its Budget and Finance Committee.

Smith is an attorney at Smith, Strege and Fredericksen in Wahpeton. He serves as president of the Richland County Bar Association and is a member of the North Dakota State Bar Association, the U.S. Supreme Court Bar and the Federal District Court Bar.

## **SB 2078 and HB 1387: Loan Forgiveness Bills May Be Merged**

SB 2078 was heard in House Education Feb. 15. This bill recommends changes in the Technology Occupations Student Loan Forgiveness Program and the Teacher Shortage Loan Forgiveness Program.

HB1387, which would remove the internship requirement from the Technology Occupations Student Loan Forgiveness Program, was heard in Senate Education Feb. 16. The committee will consider consolidating both bills into HB 1387.

## **SB 2032: Comprehensive Economic Development Bill Amended**

SB 2032, the comprehensive economic development bill that included provisions for centers of excellence, was amended in Senate Appropriations Feb. 15 to remove the sections that relate to the centers.

This action consolidates all centers of excellence legislation into one bill, SB 2018. The provisions of SB 2032 that have funding implications also have been moved to SB 2018.

The amended SB 2032 was approved by the Senate. In its present form, the bill still includes two unfunded mandates:

- A technology commercialization study with a fiscal note of \$50,000
- A transportation study with a fiscal note of \$485,000

## ***On the Week Eight Agenda***

**SB 2003 Wed., Feb. 23, 9 a.m., H-APPR:** Provides an NDUS appropriation

**SB 2020 Wed., Feb. 23, 9 a.m., H-APPR:** Provides an appropriation for NDSU Ag Entities

**HB 1024 Wed., Feb. 23, 9:30 a.m., S-APPR:** Provides deficiency appropriations

**HB 1397 Wed., Feb. 23, 1:30 p.m., S-APPR:** Provides an appropriation for 10 veterinary medicine slots at Kansas State University

**SB 2058 Thurs., Feb. 24, 2:45 p.m., H-GVA:** Increases mileage reimbursement

**HB 1129 Fri., Feb. 25, 11:00 a.m., S-POLSUB:** Relates to meal allowances for travel outside the United States